BENGAL SECRETARIAT LIBRARY

GOVERNMENT OF INDIA.

LEGISLATIVE DEPARTMENT.

THE INDIAN PAPER CURRENCY ACT, 1882,

AS MODIFIED UP TO THE 27TH JUNE, 1893,

(WITH AN APPENDIX CONTAINING THE INDIAN COINAGE AND PAPER CURRENCY ACT, 1893, AND THE NOTIFICATIONS BY THE GOVERNMENT OF INDIA IN THE FINANCE AND COMMERCE DEPARTMENT, Nos. 2662, 2663 AND 2664, DATED THE 26TH JUNE, 1893, CONNECTED THEREWITH.)

2438

CALCUTTA:

OFFICE OF THE SUPERINTENDENT OF GOVERNMENT PRINTING, INDIA.

1893.

Price Five Annas and Six Pies.

CALCUTTA:
GOVERNMENT OF INDIA CENTRAL PRINTING OFFICE,
8, HASTINGS STREET

STATEMENT OF REPEALS AND AMENDMENTS.

REPEALED IN PART AND AMENDED	Act VIII of 1893.
AMENDED	Act XV of 1890.

The following changes have been made in reprinting the Act :—

(1) repealed matter has been omitted, explanatory notes being inserted :

(2) amendments have been inserted in their proper places, with explanatory foot-notes :

(3) some further foot-notes have been added for convenience of reference :

(4) section-numbers occurring in the text have been printed in figures instead of in words :

(5) the headings to the pages have been amplified.

CONTENTS.

PREAMBLE.

I.—Preliminary.

SECTIONS

1. Short title
   Local extent.
   Commencement.
2. Act No III of 1871 repealed.

II.—The Department of Paper Currency.

3. Department of Paper Currency
4. Head Commissioner.
   Commissioners for Madras, Bombay and Rangoon.
5. Power to establish Circles of Issue, etc.
6. Deputy Commissioners and Currency Agents.
7. Subordination of Commissioners, etc.
8. Appointment, suspension and removal of officers.

III.—Supply and Issue of Currency Notes.

9. Head Commissioner to provide and distribute currency notes.
10. Signatures to notes.
11. Issue of notes for silver by Head Commissioner, Commissioners and Deputy Commissioners.
12. Issue of notes for silver by Currency Agents.
13. Issue of notes for gold.
14. } *Repealed.*
15. }

IV.—Notes where legal tender and where payable.

16. Notes where legal tender.
17. Notes where payable.
18. Notes issued from Currency Agencies to be deemed to be issued from place of issue of circle.

V.—Reserve.

19. Coin and bullion received for notes to be kept as a reserve, except amount fixed as herein provided.
20. Investment of such amount.

21. Appropriation

SECTIONS.

21. Appropriation of coin, bullion and securities
22. Trustees of securities purchased under Act.
23. Power to sell and replace securities.
24. Accounts of interest on securities.

VI.—Private Bills payable to Bearer on Demand.

25. Prohibition of issue of private bills or notes payable to bearer on demand.
26. Penalty for issuing such bills or notes.
Prosecutions.

VII.—Miscellaneous.

27. Monthly abstracts of accounts.
28. Supplementary powers of the Government of India.

BENGAL SECRETARIAT LIBRARY

ACT No. XX OF 1882.

PASSED BY THE GOVERNOR GENERAL OF INDIA IN COUNCIL.

(Received the assent of the Governor General on the 26th October, 1882.)

An Act to amend the law relating to the Government Paper Currency.

[As modified up to the 27th June, 1893]

Preamble

WHEREAS it is expedient to amend the law relating to the Government Paper Currency; It is hereby enacted as follows:—

I.—Preliminary.

Short title.

1. This Act may be called the Indian Paper Currency Act, 1882:

Local extent

It extends to the whole of British India [*];

Commencement.

and it shall come into force on the passing thereof.

Act No. III of 1871 repealed.

2. (*1*) Act No. III of 1871 (*to consolidate and amend the law relating to the Government Paper Currency*) is hereby repealed.

(*2*) All appointments made, rules prescribed, notifications published, authorities conferred, securities purchased and notes issued under the said Act, or any Act thereby repealed, shall, if in force, undisposed of or in circulation when this Act comes into force, be deemed to be respectively made, prescribed, published, conferred, purchased and issued under this Act.

[*] Act XX of 1882 has been declared in force in the Sonthal Parganas by Regulation III of 1872, s. 3, as amended by Regulation III of 1886 [Bengal Code, Vol. I, Ed. 1889, p. 597]; in Upper Burma generally (except the Shan States) by Act XX of 1886, s. 6 [Burma Code, Ed. 1889, p. 364]; and in British Baluchistan by Regulation I of 1890, s. 3 [Baluchistan Code, Ed. 1890, p. 69.]

Act. And all references made to any portion of the Indian Paper Currency Act, 1871, or any Act thereby repealed, in Acts or Regulations passed before this Act comes into force, shall be deemed to be made to the corresponding portion of this Act. III of 1871

II.—The Department of Paper Currency.

Department of Paper Currency.

3. (*1*) There shall continue to be a Department of the public service, whose function shall be the issue of promissory notes of the Government of India, payable to bearer on demand, for such sums, not being less than five rupees, as the Governor General in Council, from time to time, directs.

(*2*) Such notes shall be called currency notes.

(*3*) The Department shall be called the Department of Paper Currency.

Head Commissioner.

4. At the head of the Department there shall be an officer called the Head Commissioner of Paper Currency, and there shall be three other officers, called, respectively, the Commissioner of Paper Currency for Madras, the Commissioner of Paper Currency for Bombay, and the Commissioner of Paper Currency for Rangoon.

Commissioners for Madras, Bombay and Rangoon.

Power to establish Circles of Issue, etc.

5. The Governor General in Council may, from time to time, by order notified in the Gazette of India,—

(*a*) establish districts, to be called Circles of Issue, four of which circles shall include the towns of Calcutta, Madras, Bombay and Rangoon, respectively,

(*b*) appoint in each circle some one town to be the place of issue of currency notes, as hereinafter provided,

(*c*) establish in each such town an office or offices of issue,

(*d*) establish in any town situate in any circle an office, to be called a Currency Agency, and

(*e*) declare

(*e*) declare that, for the purposes of this Act; any town (other than Calcutta, Madras, Bombay or any town situate in British Burma[*]) in which an office of issue is established, shall be deemed to be situate within such Presidency as is specified in the order.

Deputy Commissioners and Currency Agents.

6. For each Circle of Issue, other than those which include the towns of Calcutta, Madras, Bombay and Rangoon, there shall be an officer called the Deputy Commissioner of Paper Currency, and for each Currency Agency an officer called the Currency Agent.

Subordination of Commissioners, etc.

7. For the purposes of this Act,

(*a*) the Commissioners of Paper Currency for Madras, Bombay and Rangoon, and the Deputy Commissioners of Paper Currency in the Presidency of Fort William in Bengal, shall be subordinate to the Head Commissioner of Paper Currency; and

(*b*) the Deputy Commissioners of Paper Currency in the Presidencies of Fort St. George and Bombay, and in the Province of British Burma,[*] shall be subordinate to the Commissioners of Paper Currency for Madras, Bombay and Rangoon, respectively;

(*c*) the Currency Agent at any town shall be subordinate to the Head Commissioner, Commissioner or Deputy Commissioner, as the case may be, of Paper Currency for the circle of issue in which that town is situate.

Appointment, suspension and

8. All officers under this Act shall be appointed, and

[*] This reference to British Burma should now be read as referring to Lower Burma—see Act XX of 1886, s. 4, in Burma Code, Ed. 1889, p. 364.

removal of officers.

and may be suspended or removed, by the Governor General in Council.

III.—Supply and Issue of Currency Notes.

Head Commissioner to provide and distribute currency notes.

9. (*1*) The Head Commissioner shall provide currency notes of the denominations prescribed under this Act, and shall supply the Commissioners and the Currency Agents subordinate to him, and the Deputy Commissioners, with such notes as they need for the purposes of this Act.

(*2*) The Commissioners and Deputy Commissioners shall supply the Currency Agents subordinate to them, respectively, with such notes as those Agents need for the purposes of this Act.

(*3*) Every such note shall bear upon it the name of the town from which it is issued.

Signatures to notes.

10. (*1*) The name of the Head Commissioner, of one of the Commissioners, of a Deputy Commissioner or of some other person authorized by the Head Commissioner, or by one of the Commissioners, to sign currency notes, shall be subscribed to every such note, and may be impressed thereon by machinery.

(*2*) Names so impressed shall be taken to be valid signatures.

Issue of notes for silver by Head Commissioner, Commissioners and Deputy Commissioners.

11. The Head Commissioner, the Commissioners and the Deputy Commissioners shall, in their respective Circles of Issue, on the demand of any person, issue, from the office or offices of issue established in their respective circles, currency notes of the denominations prescribed under this Act, in exchange for the amount thereof—

(*a*) in current silver coin of the Government of India,

(*b*) [*Repealed by Act VIII of 1893.*]

(*c*) in current silver coin made under the Native Coinage Act, 1876 [*], as to which IX of 1876.

[*] Limited, General Acts, 1867-76, Ed. 1887, p. 551.

which coin a declaration has been made under section 3 of that Act ; *or*

(*d*) [*Repealed by Act VIII of 1893.*] [a]

Issue of notes for silver by Currency Agents.

12. Any Currency Agent to whom notes have been supplied under section 9 may, if he thinks fit, on the demand of any person, issue from his agency any such notes in exchange for the amount thereof in any coin specified in clause (*a*) [b] or clause (*c*) of section 11.

Issue of notes for gold.

13. The Governor General in Council may, from time to time, by order notified in the Gazette of India, direct that currency notes [b] shall be issued at such offices of issue as are named in the order, in exchange for gold coin of full weight of the Government of India, or for foreign gold coin or gold bullion, at the rates, and according to the rules and conditions, fixed by that order.

14. [*Melting and assaying bullion or coin received for notes.*] *Repealed by Act VIII of 1893.*

15. [*Certificates for bullion or coin.*] *Repealed by Act VIII of 1893.*

IV.—Notes where legal tender and where payable.

Notes where legal tender.

16. Within any of the said Circles of Issue, a currency note issued from any town in that circle shall be a legal tender for the amount expressed in that note, in payment or on account of—

(*a*) any revenue or other claim, to the amount of five rupees and upwards, due to the Government of India, and

(*b*) any sum of five rupees and upwards, due by the Government of India, or by any body corporate or person in British India :

Provided

[a] The proviso, repealed by Act VIII of 1893 (printed in Appendix), is omitted.

[b] Portion repealed by Act VIII of 1893 is omitted.

Provided that no such note shall be deemed to be a legal tender by the Government of India at any office of issue.

Notes where payable.

17. A currency note shall be payable only—

(*a*) at the office or offices of issue of the town from which it has been issued, and

(*b*) in the case of notes issued from any town not situate in British Burma,[a] also at the Presidency-town of the Presidency within which that town is situate.

Notes issued from Currency Agencies to be deemed to be issued from place of issue of circle.

18. For the purposes of sections 16 and 17, notes issued from any Currency Agency shall be deemed to have been issued from the town appointed under section 5 to be the place of issue in the Circle of Issue in which that Agency is established.

V.—Reserve.

Coin and bullion received for notes to be kept as a reserve, except amount fixed as herein provided.

19. The whole amount of the coin and bullion received under this Act, and under Act III of 1871, [b] for currency notes, shall be retained and secured as a reserve to pay those notes, with the exception of such an amount, not exceeding [c]eighty millions[c] of rupees, as the Governor General in Council, with the consent of the Secretary of State for India, from time to time fixes.

Investment of such amount.

20. The amount so fixed shall be published in the Gazette of India, and the whole, or such part thereof as the Governor General in Council from time to time fixes, shall be invested in securities of the Government of India.

Appropriation of coin, bullion and securities.

21. (*1*) The said coin, bullion and securities shall be appropriated and set apart to provide for the satisfaction and discharge of the said notes; and the said notes shall be deemed to have been issued on the security

---

[a] This reference to British Burma should now be read as referring to Lower Burma—see Act XX of 1886, s 4, in Burma Code, Ed 1889, p 361.

[b] Act III of 1871 was repealed by this Act—see s. 2 *supra*.

[c-c] "Eighty millions" was substituted for "sixty millions" by Act XV of 1890.

security of the said coin, bullion and securities, as well as on the general credit of the Government of India :

[*]Provided that any coin or bullion so received and appropriated may be sold or exchanged for gold or silver coin of the Government of India of the like value, which shall be so appropriated and set apart instead of the coin or bullion sold or exchanged.

(*2*) [*Repealed by Act VIII of 1893.*]

Trustees of securities purchased under Act.

22. The securities purchased under section 20 shall be held by the Head Commissioner and the Master of the Mint at Calcutta, in trust for the Secretary of State for India in Council.

Power to sell and replace securities.

23. (*1*) The Head Commissioner may, at any time when ordered so to do by the Governor General in Council, sell and dispose of any portion of the above-mentioned investment.

(*2*) For the purpose of effecting such sales, the Master of the Mint at Calcutta shall, on a request in writing from the Head Commissioner, at all times sign and endorse the securities, and the Head Commissioner, if so directed by the Governor General in Council, may purchase securities of the Government of India to replace such sales.

Accounts of interest on securities.

24. (*1*) The interest accruing due on the securities purchased and held under this Act shall be entered in a separate account to be annually rendered by the Head Commissioner to the Governor General in Council.

(*2*) The amount of the interest shall, from time to time, as it becomes due, be paid to the credit of the Government of India, under the head of "Profits of Notes Circulation."

(*3*) An account, showing the amount of the profits and of the charges and expenses incidental thereto, shall be made up and published annually in the Gazette of India.

VI.—Private

[*] This proviso was substituted for the original proviso by Act VIII of 1893 printed in Appendix.

(*VI.—Private Bills payable to Bearer on Demand—Sections 25-26. VII.—Miscellaneous.—Section 27.*)

VI.—Private Bills payable to Bearer on Demand.

Prohibition of issue of private bills or notes payable to bearer on demand.

25. No body corporate or person in British India shall draw, accept, make or issue any bill of exchange, hundí, promissory note or engagement for the payment of money payable to bearer on demand, or borrow, owe or take up any sum or sums of money on the bills, hundís or notes payable to bearer on demand, of any such body corporate or of any such person:

Provided that cheques or drafts, payable to bearer on demand or otherwise, may be drawn on bankers, shroffs or agents, by their customers or constituents, in respect of deposits of money in the hands of those bankers, shroffs or agents and held by them at the credit and disposal of the persons drawing such cheques or drafts

Penalty for issuing such bills or notes.

26. (*1*) Any body corporate or person committing any offence under section 25 shall, on conviction before a Presidency Magistrate, or a Magistrate of the first class, be punished with a fine equal to the amount of the bill, hundí, note or engagement in respect whereof the offence is committed.

Prosecutions.

(*2*) Every prosecution under this section shall be instituted by the Head Commissioner, Commissioner or Deputy Commissioner, as the case may be, of Paper Currency for the Circle of Issue in which the bill, hundí, note or engagement is drawn, accepted, made or issued.

VII.—Miscellaneous.

Monthly abstracts of accounts.

27. An abstract of the accounts of the Department of Paper Currency, showing—

(*a*) the whole amount of currency notes in circulation,

(*b*) the amount of coin and bullion reserved, distinguishing gold from silver, and

(*c*) the

(*c*) the nominal value of, and the price paid for, the Government securities held by the said Department,

shall be made up monthly by the Head Commissioner, and published, as soon as may be, in the Gazette of India.

Supplementary powers of the Government of India.

28. (*1*) The Governor General in Council may, from time to time, by notification in the Gazette of India,—

(*a*) fix the amounts (not being less than five rupees) for which currency notes shall be issued:

(*b*) alter the limits of any of the Circles of Issue:

(*c*) declare the places at which currency notes shall be issued:

(*d*) fix the rates, rules and conditions at and according to which gold may be taken in exchange for currency notes:

(*e*) fix the charge for melting and assaying bullion and foreign coin received for such notes:

(*f*) [*Repealed by Act VIII of 1893.*]

(*g*) regulate any matters relative to paper currency which are not provided for by this Act: and

(*h*) revoke or alter any notification previously published under this Act.

(*2*) Every notification under this section shall come into force on the day therein in that behalf mentioned, and shall have effect as if it were enacted in this Act.

(*3*) [*Repealed by Act VIII of 1893.*]

APPENDIX.

APPENDIX.

ACT No. VIII OF 1893.

PASSED BY THE GOVERNOR GENERAL OF INDIA IN COUNCIL.

(Received the assent of the Governor General on the 26th June, 1893.)

An Act to amend the Indian Coinage Act, 1870, and the Indian Paper Currency Act, 1882.

XXIII of 1870. XX of 1882.

WHEREAS it is expedient to amend the Indian Coinage Act, 1870, [a] and the Indian Paper Currency Act, 1882 [b]; It is hereby enacted as follows:—

Title and commencement.

1. (*1*) This Act may be called the Indian Coinage and Paper Currency Act, 1893; and

(*2*) It shall come into force at once.

Repeal of existing enactments.

2. The enactments specified in the schedule hereto shall be repealed or modified to the extent and in the manner mentioned in the third column thereof, but no such repeal or modification shall affect anything already done or any right or obligation heretofore acquired or undergone under the said enactments or any of them.

THE SCHEDULE.

Number, Year and Short Title.	Sections.	Extent of repeal or modification.
Act XXIII of 1870 (the Indian Coinage Act, 1870). [a]	19 to 26, both inclusive.	The whole to be repealed.
Act XX of 1882 (the Indian Paper Currency Act, 1882). [b]	11	Clause (*b*), clause (*d*) and the proviso to be repealed.
	12	The word and letter "clause (*b*)" to be omitted.

[a] For Act XXIII of 1870 see the revised edition, as modified up to 27th June, 1893, published by the Legislative Department.

[b] Printed *supra*.

Act No. VIII of 1893—contd.

THE SCHEDULE—*contd.*

Number, Year and Short Title.	Sections.	Extent of repeal or modification.
Act XX of 1882 (the Indian Paper Currency Act 1882)—*contd.*	13	The words "to an extent to be specified in the order not exceeding one-fourth of the total amount of issues represented by coin and bullion as provided by this Act" to be omitted.
	14 & 15	The whole sections to be repealed.
	21	For the proviso to sub-section (*1*) the following shall be substituted :—
		"Provided that any coin or bullion so received and appropriated may be sold or exchanged for gold or silver coin of the Government of India of the like value which shall be so appropriated and set apart instead of the coin or bullion sold or exchanged"
		Sub-section (*2*) to be repealed.
	28	Sub-section (*1*), clause (*f*), to be omitted.
		Sub-section (*3*) to be repealed.

FINANCE AND COMMERCE DEPARTMENT.

NOTIFICATIONS.

ACCOUNTS AND FINANCE.

MINT.

Simla, the 26th June, 1893.

No. 2662.—The Governor General in Council hereby announces that, until further orders, gold coins and gold bullion will be received by the Mint Masters of the Calcutta and Bombay Mints respectively in exchange for Government rupees, at the rate of 7·53344 grains troy of fine gold for one rupee, on the following conditions:—

(1) Such coin or bullion must be fit for coinage.

(2) The quantity tendered at one time must not be less than 50 tolas.

(3) A charge of one-fourth per mille will be made on all gold coin or bullion which is melted or cut so as to render the same fit for receipt into the mint.

(4) The Mint Master, on receipt of gold coin or bullion into the mint, shall grant to the proprietor a receipt which shall entitle him to a certificate from the Mint and Assay Masters for the amount of rupees to be given in exchange for such coin or bullion payable at the General (Reserve) Treasury, Calcutta or Bombay. Such certificates shall be payable at the General Treasury after such lapse of time from the issue thereof as the Comptroller General may fix from time to time.

No. 2663.—In supersession of the Notification by the Government of India in the Financial Department, No. 3287, dated the 28th October, 1868, which is hereby cancelled, the Governor General in Council is pleased to direct that, from and after the date of this Notification, Sovereigns and Half-sovereigns of current weight coined at any authorized Royal Mint in England or Australia shall be received in all the Treasuries of British India and its dependencies, in payment of sums due to the Government, as the equivalent of fifteen rupees and of seven rupees and eight annas, respectively.

[Published in Gazette of India, 1893, Pt. 1, p. 363.]

ACCOUNTS AND FINANCE.

Paper Currency.

Simla, the 26th June, 1893.

No. 2664.—In exercise of the powers conferred by the Indian Paper Currency Act, 1882, [a] as amended by the Indian Coinage and Paper Currency Act, 1893, [a] and of all other powers enabling him in this behalf, the Governor General in Council is pleased to direct that currency notes shall be issued by the Head Commissioner of Paper Currency, Calcutta, and by the Commissioner of Paper Currency, Bombay, on the requisition of the Comptroller General, in exchange for gold coin or gold bullion, at the rate of one Government rupee for 7·53344 grains troy of fine gold. Sovereigns and Half-sovereigns of current weight coined at any authorized Royal Mint in England or Australia shall be taken as the equivalent of fifteen rupees and of seven rupees and eight annas, respectively.

[Published in Gazette of India, 1893, Pt. I, p. 360.]

[a] Printed *supra*.

Government of India Central Printing Office.—No. 34 L. D.—17-8-93—4,000.